

Employee training—pp. 35-57
Wall covering merchandising—pp. 19-23

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National Home Center News

Vol. 11, No. 20

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The newspaper for retailers serving homeowners and contractors. Published by Lebhar-Friedman Inc.

September 23, 1985

Color Tile restructures management; eliminates district operations level

By Phillip M. Perry
NHCN senior editor

FORT WORTH — Color Tile, operator of 820 specialty stores in the United States and Canada, eliminated a level of its management structure last month, in a move designed to facilitate more rapid communications with its stores as well as to cut annual expenses by an estimated \$750,000 to \$1.5 million in salary, bonuses, and travel.

The company reassigned its 47 district managers, promoting 20 to new positions as regional managers. The others were assigned positions as store managers. The company formerly had eight regions, but expanded this number to 27. Of the original eight regional managers, all but one remained in that position.

"We outgrew the district management level," said John C. Rhineberger, president, of Color Tile. "It was a matter of having too many people to deal with, and we were losing communications with the field."

"When there was only a handful of us, we could get together easily and reach a consensus," he added, speaking of the early days of Color Tile. "But have you ever sat in a room with 10 or more people and tried to reach a consensus? You know what the problems are."

(Continued on page 82)

Chicago eyes Gee labor talks as possible market precedent

By John Caulfield
NHCN senior editor

CHICAGO — Lumber dealers here early this month were focusing their attention on contract talks between the 13-unit Gee Lumber and Teamster Local 786 which represents 12 employees in Gee's central distribution center.

The importance of these negotiations has been amplified by the need among dealers to better control their administrative costs to compete against the flood of warehouse home centers that have invaded Chicago over the past year with the advantage of being able to hire nonunion workers.

The discussions between Gee and the union have taken on added significance following

contracts agreed to this summer by Georgia-Pacific and Edward Hines Lumber—the market's largest lumber distributor and retailer, respectively—that some dealers here feel

union," said Jim Gee Jr., the chain's president, who has been negotiating with the Teamsters since the last three-year contract expired on May 31. As of Sept. 4, Gee said he and the

union were "light years away" from a settlement, although his employees were expected to vote on the company's

Warehouse invasion forcing chains to take cost-cutting measures

were not tough enough to offset the competitive pressures exerted by the warehouses.

It is assumed by dealers here that the union will use early contract agreements as precedents in their negotiations with other Chicago companies over the course of the next few months.

"There is no question that people here are looking at us as the hardball player with the

contract proposal the following week.

That proposal is calling for a reduction in the present wage scale for newly hired employees by one-third, which Gee contends would still pay workers "more than the prevailing wage for drivers working in the warehouses."

Industry observers said that the average hourly wage for

(Continued on page 81)

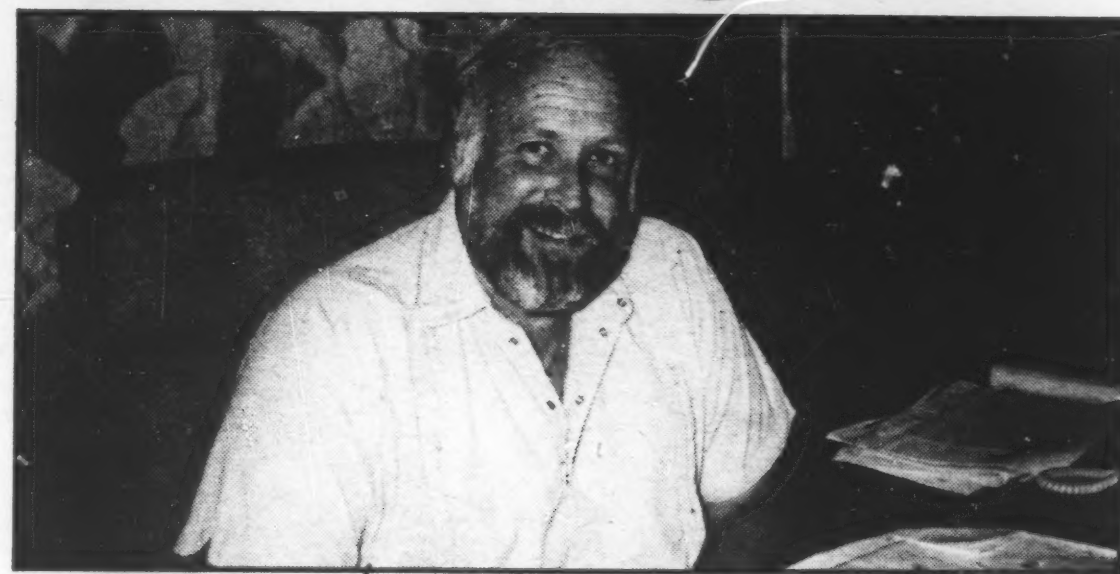
Florida indy opens largest store; plans offering for future growth

MELBOURNE, Fla. — Babcock Building Supply, a \$28 million home center chain, opened the largest store in its history on Aug. 31, in Indian Harbour Beach on Florida's east coast. The company said the new store was the first step in a larger five-year effort to expand from seven stores to a total of 13.

Late last month the company broke ground for its eighth unit, slated for a January opening, in Palm Bay, Fla.

"In three or four years, we are planning to make a public offering that will allow us to expand further," said S. Wayne

(Continued on page 81)



S. Wayne Mann, president of Babcock Building Supply, plans to expand his seven-unit home center chain to 13 units over the next five years. The company's largest store opened Aug. 31 in Indian Harbour Beach, Fla.

Courtesy of Babcock Building Supply.

NEWSBREAKS

DIXIELINE ON THE BLOCK. Officials from corporate parent Weyerhaeuser Co. and Nortek, a Providence, R.I., manufacturing firm, have confirmed that talks have occurred over the prospective sale of the five-unit San Diego chain.

BOISE NEGOTIATING. Boise Cascade officials are evaluating an offer for the purchase of seven of its southern California stores along with a lumberyard and distribution center.

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Chains try to crack consumer habits in Columbus —Page 3

Repair spending tops \$83B in 1Q —Page 3
Southern pine being marketed as steel and cement substitute —Page 29

Forest City inks lease for new Cleveland unit

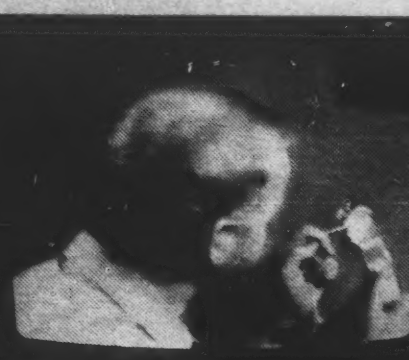
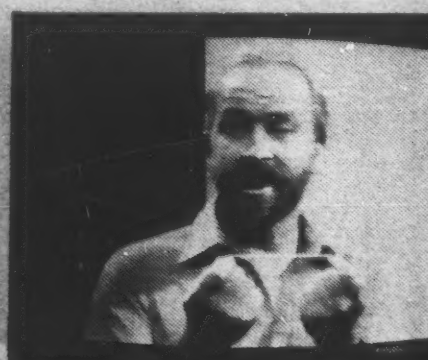
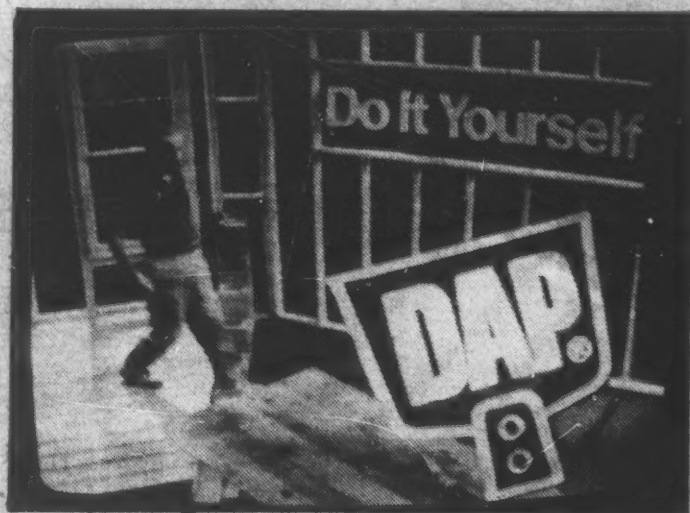
CLEVELAND — Forest City signed a lease last month for its first new Cleveland store in seven years, and its first new unit since selling off its Chicago stores to Service Merchandise earlier this year.

The new store is intended to complete Forest City's penetration of its hometown market. Its location in the Great Northern Shopping Center on the west side of the city reaches an upper income population not now served by the chain's seven other Cleveland stores.

Forest City sees the move partly as a signal to the industry that the chain is digging in its heels and protecting its turf in a more competitive environment.

"Everyone speculated that we were pulling in our horns when we sold those Chicago

(Continued on page 82)



DIY Moments open with a 10-second manufacturer identification and the introduction of a problem. The retailer's 30-second spot is then shown as the Moment's sponsor, followed by a 20-second conclusion.

DIY Moment: New retail advertising tool

By Linda Anderson
NHCN associate editor

MINNEAPOLIS — There have been great moments in American history commercials, great moments in NFL history commercials, but now, the moment that home centers have been waiting for—the DIY Moment.

The DIY Moment does not explore great moments in DIY history, but offers viewers manufacturer-produced DIY tips with a 30-second home center commercial sandwiches between the identification of a DIY problem and its solution. A complete spot runs 60 seconds and is available on an ex-

clusive basis to retailers for a \$7,500 licensing fee that entitles them to unlimited use of the spot for six months, after which the spots are available on a first come, first serve basis. For the manufacturer sponsors, exclusivity of the product category is guaranteed for three years.

The first of the DIY Moments series is currently airing on WLS in Chicago under the sponsorship of Handy Andy. The first series features DAP, Dow-Corning and Weldwood products being used by Curt Bursick of "The Do It Yourself Show." The Moments were produced by that show's creator,

(Continued on page 82)

NHCNews Briefs

Industry Update

Homecrafters restructures team

BIRMINGHAM, Ala. — Homecrafters Warehouse completed the restructuring of its management team last month with the appointment of Jim O'Brien as regional manager of the combination stores, and Jack Kay as regional manager of the warehouse units in Denver and Salt Lake City. Both appointees previously held similar positions with other companies—the former with Wickes and the latter with Ole's. Homecrafters said the Steve Wiley, formerly ceo, no longer held a position at the company and that his former position of executive vp would remain vacant. (NHCN, July 15.)

Hechinger lands in N.J.

LANDOVER, Md. — Hechinger, a chain of 49 home centers, said that it would move into New Jersey for the first time with a store in the Philadelphia suburb of Deptford, N.J. Another store is also scheduled to open about the same time in the Baltimore market.

Hechinger also said it would open a third store in the Columbus, Ohio, market next spring. Its second store in that market is slated to open this fall.

The new store announcements come at a time when Hechinger has experienced its best quarter in history.

Depot breaks ground in Detroit

ATLANTA — The Home Depot late last month broke ground for its first Detroit store, located at the intersection of I-75 and Eureka Road. It is expected to open by next spring.

A minimum of four Home Depots should be open in the market by the end of 1986. The next site is at Gratiot and Masonic.

A total of six to seven units are planned for Detroit, all probably in excess of 100,000 sq. ft., which would make them among the chain's largest.

Scotty's plots 12 hdwe stores

WINTER HAVEN, Fla. — Scotty's plans to have 12 Scotty's Hardware Stores in operation by June 1986—indicating the new smaller store concept unveiled last year has apparently passed the testing phase. New Scotty's Hardware Stores are in the process of renovation and installation in St. Petersburg, Fort Myers, Naples, Belle Glade and Winter Park, Fla.

In addition, new 40,000-plus-sq.-ft. "store of the future" format Scotty's are under construction in Boynton Beach, Tarpon Springs, Okeechobee and Homestead, Fla. Retrofits of existing Scotty's stores are under construction in East Lakeland, Margate, North Lakeland and Orlando Beach, and a replacement Scotty's store is being built in Lake City, Fla., according to Ray H. Cooney, vice chairman.

Easco sells tool division

BALTIMORE — Easco Corp.'s troubled hand tool division, which last year lost \$12.7 million, is to be sold to a group of investors in a leveraged buyout for cash and assumption of its debt estimated to total \$110 million.

The hand tool segment, which industry sources claim has been impacted severely by the influx of import tools on the U.S. market, is the main supplier of "Craftsman" hand tools for Sears. Its sales last year of \$196 million accounted for 34% of the corporation's volume.

Easco signed a letter of intent to sell the business segment last month with a group of investors led by Peter W. Smith & Co., a Chicago investment firm. This group could include some of the division's management, although that will not be determined until the deal is completed sometime this month.

Show draws record crowds

CHICAGO — A record-breaking 77,685 people attended the 1985 National Hardware Show in Chicago last month surpassing the 1984 attendance level by 4,685 people, according to the American Hardware Manufacturers Assn.

William P. Farrell, AHMA's executive director, noted that "The positive show atmosphere could be attributed in large part to a generally optimistic feeling concerning prospects for headlines sales for the remainder of the second half of 1985." He added that this year's sales pace has made "1986 appear to be increasingly bright."

And despite space limitations at McCormick Place, 1,011 more exhibitors were squeezed in for a total of 3,011.

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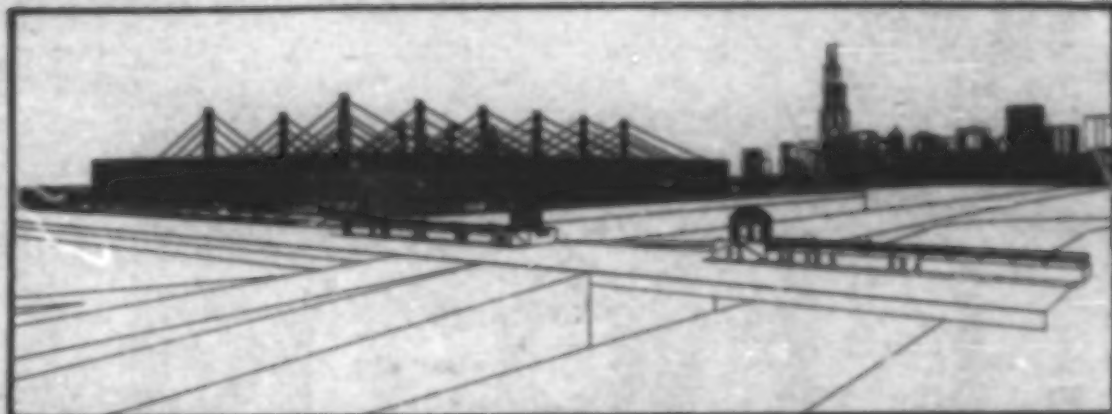
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Chicago lawmakers to convene Oct. 2 to vote on extra McCormick Place funds

CHICAGO — The city's Metropolitan Fair and Exposition Authority, operators of McCormick Place, are asking the Illinois Legislature to appropriate an additional \$54 million to finish the 533,000-sq.-ft. expansion project slated to open next May 15.

In response, the state legislature will convene for a special session on Oct. 2, at a cost of \$400,000 per day, to specifically answer the request, but not without some heads rolling.

"It's not a question of whether they'll get the money but what will be asked for in exchange," explained Shawn Collins, legislative aid to the state senate committee investigating



A request for additional funds by Chicago's Metropolitan Fair and Exposition Authority to keep the expansion at McCormick Place going may cause some heads to roll.

the McCormick Place expansion request. He suggested that some exposition authority board members might be asked to resign in exchange for the additional funding.

The 1986 schedule of trade shows, beginning with the June 1 opening of the Consumer Electronics Show, followed in August by the National Hard-

(Continued on page 82)

Pittsburgh indy reaping rewards of new retail strategy; predicted market change

By Donald Longo
NHCN managing editor

PITTSBURGH — The seeds of a new retail marketing strategy planted two years ago are beginning to bear fruit for a three-unit independent in this suddenly tempestuous home improvement market.

"Sales, margins and profits are up substantially" at Stanford Home Center's three units in and around the Pittsburgh area, according to marketing vp Joe Bartolomeo. Company sales may go up as much as 29% over last year if volume hits the projected \$8.5 million to \$9 million target for 1985.

Pittsburgh is home base for 11-store Busy Beaver Centers. Carter Lumber, the 130-store midwestern chain, operates seven stores in the market, which also has an 84 Lumber and several independents. Hechinger, the 47-store, Landover, Md.-based chain, last month announced sites for its first two warehouse-style stores.

Yet, Stanford is confident it will be able to weather the competitive storm effectively and profitably. The independent's new marketing plan, cultivated by company principals Stanley and Robert Piekarski, is rooted

in strengthening the stores' service, selection and price image.

"We basically come from a lumberyard background," said Bartolomeo, "but are now in more of a retailing vein." The firm does 85% of its business with DIY consumers.

The evolution of Stanford's new emphasis on retailing will most likely be manifested in the planned remodeling of the company's 30,000-sq.-ft. store in Monroeville.

Although construction plans have not been finalized, Bartolomeo noted that Stanford's

(Continued on page 82)

Ex-Build & Grow pres. opens new chain

RANCHO PENASKUITOS, Calif. — Dick Hallett, former president of the \$10 million Build & Grow chain of home centers, broke ground here late last month for the first in a projected chain of new stores to be called Hardware & Nursery Co.

"The stores will have the full spectrum of hardware, lumber and building products," said Hallett, who left Build & Grow earlier this year in a dispute with the other owners over the future directions of the chain of two stores.

Hallett said he planned to build an average of one new Hardware & Nursery outlet every year, although he did not offer an estimate of how large the chain might grow to be. While he did not say what volume he expected to achieve with his new enterprise, he agreed that each store's sales would be somewhat the same as the older Build & Grow units, which have been reported to do about \$5 million annually.

Hallett, who expects his first Hardware & Nursery to open in May, said that his new enter-

prise would have "a different look, and represent a scaled down version" of the Build & Grow stores. While the new stores will have all of the departments represented in the older chain of stores, they will also have full decorative products centers, staffed with a full-time professional decorator who can help do-it-yourselfers select their merchandise, according to Hallett. Additionally, the stores will have a rental tool area, for the use of consumers and small contractors. The

(Continued on page 82)

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Retailers 'lucky' after Elena's coastal sweep

By Linda Anderson
NHCN associate editor

PASCAGOULA, Miss. — Two days after Hurricane Elena swept across the Gulf Coast, home center retailers counted themselves among the lucky, having sustained relatively minor damage in most cities along the storm's path.

Hardest hit was City Lumber and Supply headquartered in Pascagoula. The company's

Ocean Springs store sustained "substantial" damage according to a spokesman. Its Pascagoula store received little damage and was open Wednesday for business even though there was no electricity in the city.

In Fort Walton Beach, both Lowe's and Homecenter's buildings sustained minor damage. Jim O'Brien of Homecenter's pointed out that the store was not really damaged,

but the 40-ft. x 100-ft. warehouse was picked up by the storm and turned over on its side. He expected the warehouse to be set upright on Wednesday and open for business on Thursday.

At Lowe's Fort Walton Beach store damage was slight, said Dwight Pardue, vice president of operations. In its Gulfport store, Pardue said the main damage was that the front

window was blown out of the store. He estimated damages for the two stores to be about \$10,000 to \$15,000, although he qualified that estimate by saying that engineers had not yet surveyed the scene.

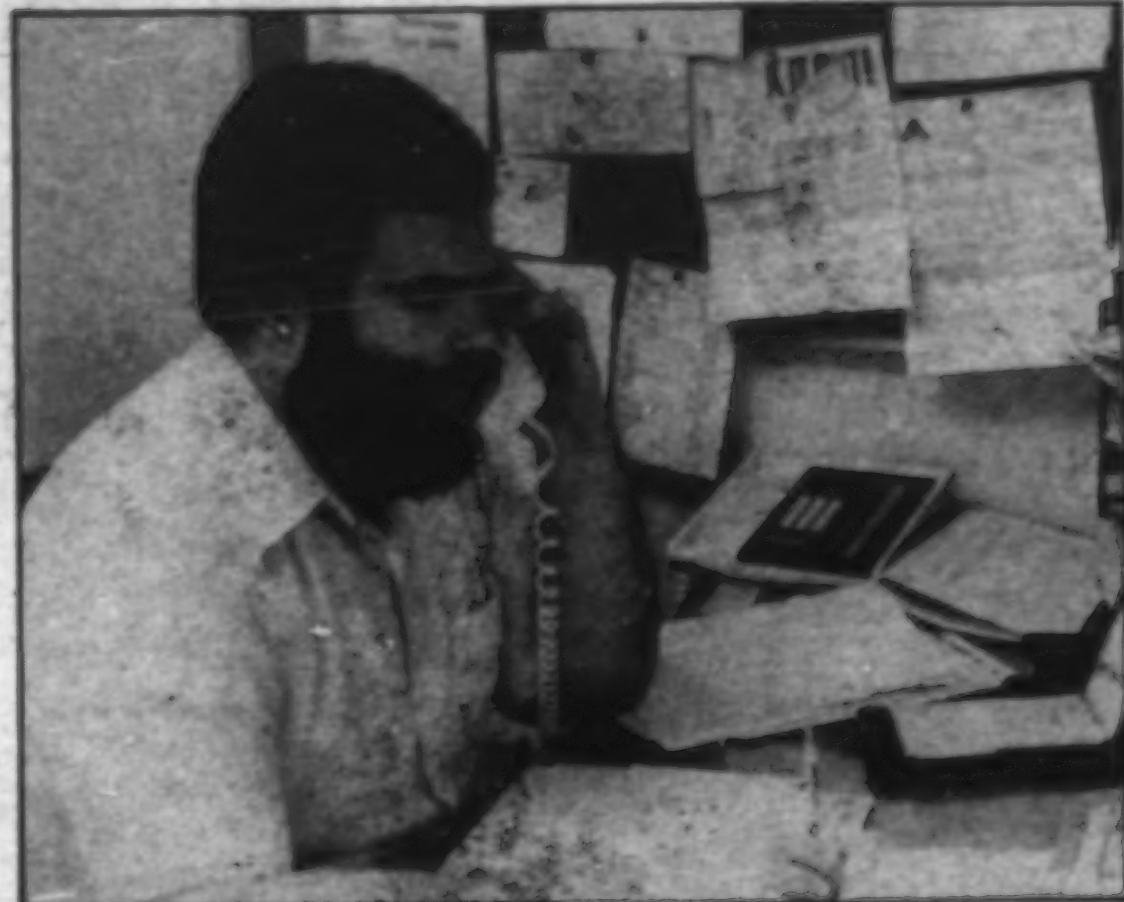
In Bogalusa, La., one of the hardest hit areas, a spokesman for Bogalusa Lumber said the store sustained only slight damage to the roof, and was one of the few locations in the city with

electricity on Wednesday.

In Pensacola, both Handy City and Building Supply Center reported that they had sustained little damage and both were open for business on Wednesday.

Stores that were opened reported a brisk demand for flashlights, lumber, roofing materials and generators. Many of the chain stores had anticipated the

(Continued on page 82)



Royal Morse III, vp. at Independent Dealers Lumber, feels ingrained consumer shopping habits make Columbus, Ohio, a difficult market for newcomers to crack.

NHCN photo

Hardware store shopping habits challenging home centers' Columbus entry

By Phillip M. Perry
NHCN senior editor

COLUMBUS, Ohio — While consumers in this city have demonstrated a loyalty to discount and hardware stores, they are willing to take a new look at home centers that have recently begun entering their shopping area.

A new survey of Columbus consumers, conducted on behalf of National Home Center News by Leo J. Shapiro, Chicago, showed that do-it-yourselfers

in this Ohio capital city are much more likely than consumers in six other markets to shop at discount stores for items such as paint, wallpaper, hand and power tools and lock sets.

Hardware stores were also the preferred source of a number of home improvement items by more consumers in Columbus than in the five surveyed markets of Chicago, Long Island, Houston, Phoenix and San Bernardino, Calif. Only

(Continued on page 80)

R, R & M spending leaps 31% in 1st quarter					
Expenditures for maintenance and repairs and construction improvements at a seasonally adjusted annual rate for residential properties (in millions of dollars)					
Year & quarter	Total expenditures	Maintenance & repairs	Total	Construction improvements	Major replacements
1985 p/1st	\$83.1	\$36.8	\$46.3	\$28.5	\$17.8
1984-4th	\$7.8	\$7.4	\$48.4	\$29.0	\$11.4
1984-1st	\$3.4	\$2.4	\$8.6	\$27.1	\$11.4

D-preliminary

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis

The NAHB's Remodelers Council estimates that 25% of the \$83.1 billion Americans spent to repair or remodel their homes was spent on DIY projects.

APPROXIMATELY 25% SPENT ON DIY PROJECTS

Repair spending tops \$83B in 1Q

By Laura Liebeck
NHCN field editor

NATIONAL REPORT — Homeowners spent a whopping \$83.1 billion, seasonally adjusted, to improve or maintain their homes during the first quarter of this year, for a 23% increase over fourth quarter 1984 and a 31% leap ahead of the corresponding period one year ago, according to latest figures from the Commerce Department.

The National Assn. of Home Builders' Remodelers Council estimates that approximately 25%, or \$21 billion of that total, seasonally adjusted, was spent by homeowners for DIY projects.

"The results of this survey are right on target," commented Larry Bussey, chairman of the National Remodelers Council. "Business is so good that we're booking jobs months in

advance."

Last year, Americans spent \$63.2 billion on residential alterations and repairs.

The recently reported total sets a record-breaking pace for 1985. It is composed of \$36.8 billion for maintenance and repairs and \$46.3 billion for construction improvements, of which \$28.5 billion is attributed to additions and alterations and \$17.8 billion is identified as major replacements.

Of the additions and alterations category was below its corresponding fourth quarter 1984 total of \$29 billion. The other categories were up substantially from fourth quarter of last year, including the increase from \$67.8 billion to \$83.1 billion set for total expenditures. The following increases were also charted: \$27.4 billion to \$36.8 billion in

maintenance and repairs; \$40.4 billion to \$46.3 billion for total construction improvements; and \$11.4 billion to \$17.8 billion for major replacements.

These figures are preliminary numbers, the Commerce Department noted. The final report is scheduled for release later this month.

Actual total expenditures for this period amounted to \$15.6 billion. Of this, \$7.1 billion was for maintenance and repairs and \$8.5 billion was for construction improvements with \$5.3 billion identified as additions and alterations and \$3.1 billion was for major replacements.

New survey techniques employed by the Commerce Department for this first quarter of 1985 have officials at the Remodelers Council examining the results.

Shoppers spend 2-3 hours per visit in new home store

By Milford Prewitt
NHCN associate editor

PLYMOUTH MEETING, Pa. — There are new stores, good stores, and now there is IKEA, a combination of both.

The Swedish-based home furnishings chain, with 70 units in 18 countries, has opened its first outlet in the United States here in a sprawling 165,000-sq.-ft. facility that is raising retail eyebrows as the four-month-old store attracts some 40,000 customers a week.

While it is essentially a high-quality furniture store with an emphasis on affordability, IKEA (pronounced eye-key-a) offers numerous home improvement product categories whose merchandising and prices may also give home center operators a few moments' pause.

Due to a large part to a few untraditional retail features, IKEA has found that the average shopper spends two to three hours per trip in the store. Here are a few reasons why:

- IKEA features an upscale showroom attached to a high-density, self-serve warehouse where shoppers can pull knock-down merchandise in easy-to-manage flat packs;
- It replaces high-pressure salesmen with information booths and descriptive price tags;

- The building provides a child's playroom where youngsters can literally float amid thousands of brightly colored, apple-sized balls while Mom and Dad shop and;

- The store offers a large cafeteria featuring both Swedish and American cuisine, including a shrimp salad for \$1.80.

With sales of more than \$1 billion, the 42-year-old company's splash in this suburban market, about 15 miles west of Philadelphia, caused quite a stir with its massive advertising barrage through newspapers, over the air waves and on billboards. This effort was augmented by the mass mailing of more than 1.3 million IKEA catalogues, reaching some six million people in the Delaware Valley area.

While the Plymouth Meeting store was initially projected to post first full year sales of approximately \$25 million, current volume suggests IKEA's first United States outlet may generate closer to \$30 million, beamed Rick Willson, the store's operations manager.

According to Phran Novelli, a spokesman for IKEA, so many shoppers attempted to visit the store during its grand opening weekend in June that police were forced to close the parking lot to the mall and re-

IKEA at a glance	
Headquarters:	Almhult, Sweden
Annual sales:	\$1 billion (U.S.)
Number of stores:	70, including eight in Canada and one in the U.S.
Current U.S. Location:	15 miles Northeast of Philadelphia at Plymouth Meeting Mall, off Interstate 76 between US Rt. 422 and Rt. 9
Number of units:	14,000
Future plans:	New store expected to open in suburban Washington, D.C. in spring of 1986.
Retail contact:	Phran Novelli, Phone 215-834-0150



A view of IKEA's yellow and blue building in Plymouth Meeting Mall from parking lot. The flags represent a few of the nations where IKEA has operations.

NHCN photo

route traffic. She said an estimated 130,000 persons visited the store on one day alone.

For home centers in the vicinity, which includes Hechinger, Channel and several independents, IKEA promises a run for their money in several product categories. While IKEA's 14,000 stock keeping units are

principally comprised of knock-down furniture, the firm sells hardwood flooring and tiles, wallpaper, lighting fixtures, bathroom sinks and accessories and big-ticket items like kitchen cabinets at prices comparable to or lower than home centers.

With a distinct European fla-

vor that accents the lean, modular, high-tech architectural designs of Scandinavia, IKEA's unit here is spacious, well-illuminated and painted in bright, primary colors. Signage throughout the store features European lettering and spelling, in which, for example, the

(Continued on page 58)

FINANCIAL NEWS



Losers continued to exceed gainers for the fourth consecutive reporting period among the 56 industry stocks monitored for *National Home Center News*.

For the period ended Sept. 6, 29 stocks were off, 21 were up and six remained unchanged.

Gainers were led by Evans products, which continues in Chapter 11 reorganization. The Home Depot bounced slightly from the three-year low it reached on Aug. 16 after its second straight quarter of earnings decline and a drop in comp store sales (NHCN, Sept. 9).

INTERCO led in volume traded, on a percentage change basis, amid rumors of a leveraged buyout.

Among the heavier retail price losers this reporting period were Lowe's, off 5% and Color Tile, which is restructuring management, off 4.6% (see story on page one).

Other retail stocks that dropped include Michigan General, K mart, Pay 'N Pak, Herhinger A and B, Payless Cashways, W. R. Grace and Sears.

Home Center stocks continued to underperform the Standard & Poor's 500 Index. In fact, this past reporting period marked the fifty-second consecutive week that home center stocks trailed Standard & Poor's.



The Retail Stock Index is calculated for each of the past 52 weeks by multiplying the market value of home center issues (combined price divided by total shares outstanding) by a constant which adjusts the index to show its relation to performance of S&P 500 index over the past 52 weeks.

MOST ACTIVE STOCKS

Company & Market	Total 2-Week Volume (100)	2-Week Price Change %	2-Week Price Change %
INTERCO Inc. N	13,024	29.7	-2
Levi Palmer M	561	21.5	-5.0
Insco Corp N	4,623	20.1	-6.6
Pay 'N Pak N	2,679	19.3	-2.9
Polatch Co N	1,356	18.4	6.2

Company & Market	Total 2-Week Volume (100)	2-Week Price Change %	2-Week Price Change %
Scott's Inc. N	1,898	17.9	.0
Am Standard N	6,189	17.4	-3.4
Wanamaker M	1,013	16.8	8.9
Hedinger B N	1,393	14.9	-2.9
K mart Co N	30,010	13.7	-4.1

TOP GAINERS

Company & Market	2-Weeks Ended 9-6-85 \$	2-Week Price Change %	2-Week Total Volume (100)
Std Ind Pnt N	20.88	7.7	2,005
Insco Corp N	17.63	6.6	4,623
Certain-tyl N	24.25	6.3	1,295
Mamie Co N	5.88	6.0	2,775
Levi Palmer M	7.13	6.0	561

TOP LOSERS

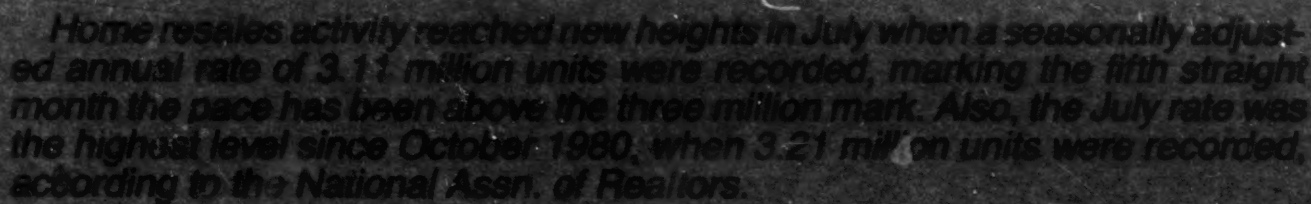
Company & Market	2-Weeks Ended 9-6-85 \$	2-Week Price Change %	2-Week Total Volume (100)
Evans Prod N	2.00	14.3	321
SW Forest Ind N	13.25	8.3	2,630
Wanamaker M	13.75	8.9	1,013
Polatch Co N	34.50	8.2	1,356
Pape & Talbot N	18.75	4.8	187

Home Center News

HOME CENTER INDUSTRY MARKET SUMMARY

Company and Market	Stock Market												Financial Update																																													
	Price						Volume						P/E	Indicated		Latest Report			Latest Quarter						Year-to-Date																																	
	2-Weeks		2-Weeks		2-Week		2-Week		2-Weeks		12-Week			Trend	Divd. Rate	New	Period	Date	Revenue		Net Income		EPS		Revenue		Net Income		EPS																													
	Ended	Change	Ant.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change							Ant.	Ytd	Report	Ant.	Chg	Ant.	Chg	Ant.	Chg	Ant.	Chg	Ant.	Chg	Ant.	Chg																									
																														\$	\$	%	\$	\$	\$	\$	(100)	%	%	%		\$	%				\$M	%	\$M	%	\$	%	\$M	%	\$M	%	\$	%
Retailers																																																										
Bois Cascade	N	46.50	25	5	48.00	45.75	51.00	36.25	3,854	1.41	1.88	-15.1	20.1	1.90	4.1	—	6 mos.	06-85	952.8	-4.6	31.7	-5.4	1.07	-7.8	1910.3	-1.9	65.0	5.9	2.19	3.8																												
Color Tile	M	18.13	-88	-4.6	18.75	17.88	20.00	15.25	2,382	2.54	2.74	-7.3	12.5	.00	.0	—	fiscal	06-85	97.8	35.5	4.0	8.1	.44	10.0	347.2	22.8	13.3	-4.3	1.45	1.4																												
Edison Bros	N	32.00	-25	-8	32.50	31.50	38.25	31.00	432	.43	.86	-50.0	13.0	1.80	5.0	—	6 mos.	06-85	85.6	-57.6	3.8	-32.1	.38	-28.6	362.5	-26.5	7.7	-58.6	.76	-48.0																												
Erb Lumber	M	23.50	.00	.0	25.50	23.50	26.50	18.00	0	.00	.13	-100.0	5.2	.00	.0	—	6 mos.	06-85	53.8	26.6	2.4	84.6	2.80	84.4	80.9	17.2	2.0	122.2	2.20	122.2																												
Evans Prod	N	2.00	25	14.3	2.00	1.75	6.00	1.75	321	.25	.21	9.5	NE	.00a	.0	—	6 mos.	06-85	315.3	-18.0	(24.1)	NE	(1.82)	NE	544.5	-14.8	(53.8)	NE	(4.77)	NE																												
Forest City Ent	A	23.50	.13	.5	23.56	23.25	24.88	17.00	27	.07	.08	-22.2	28.3	.15	.6	NEW	6 mos.	07-85	53.5	-28.6	3.4	36.0	.43	34.4	127.2	1.4	3.8	414.3	.45	309.1																												
Grace W R	N	42.38	-83	-1.5	43.25	42.25	45.00	38.50	4,269	.88	.96	-8.3	12.3	2.80	6.6	—	6 mos.	06-85	1908.8	9.6	41.4	-28.0	.83	-28.7	3488.8	7.7	76.9	-25.6	1.55	-26.9																												
Hedinger A	M	17.00	-25	-1.4	17.50	16.50	23.19	14.19	3,843	4.30	2.29	91.7	NA	.16	.9	—	07-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA																												
Hedinger B	M	16.50	-50	-2.9	17.50	16.50	24.19	14.58	1,393	1.03	.48	114.6	17.4	.08	.5	NEW	6 mos.	07-85	129.3	13.0	7.2	7.5	.30	3.4	243.9	20.6	11.0	8.9	.47	6.8																												
Hiaw Ed Lumber	O	42.00	1.25	.3	43.25	40.75	43.75	36.00	62	.35	.19	84.2	22.1	1.00	2.4	—	6 mos.	06-85	79.8	3.1	1.7	112.5	1.01	124.4	126.4	2.0	.9	800.0	.53	780.3																												
Homecrafters Wht	M	5.00	.00	.0	5.00	4.83	12.00	4.63	418	1.48	2.48	-40.3	NE	.00	.0	NEW	6 mos.	07-85	51.8	19.4	(1.8)	-100.0	(.84)	-100.0	97.6	22.2	(3.3)	-100.0	(1.18)	-100.0																												
Home Depot	N	12.00	.50	.43	12.00	11.38	20.38	10.50	6,763	2.70	2.80	-3.6	28.7	.00	.0	—	6 mos.	07-85	174.3	46.5	2.5	-34.2	.10	-33.3	319.3	48.6	4.4	-38.9	.16	-37.9																												
INTERCO Inc	N	72.00	-13	-2	73.63	69.38	73.63	55.75	13,024	9.25	2.63	251.7	18.0	3.08	4.3	—	3 mos.	05-85	589.0	-8.8	11.2	-42.6	.71	-38.3	589.0	-8.8	11.2	-42.6	.71	-38.3																												
K mart Co	N	31.88	-1.38	-4.1	33.75	31.38	41.50	31.38	30,010	3.12	1.46	113.7	9.6	1.40	4.4	—	6 mos.	07-85	5400.5	8.1	74.8	-48.2	.58	-47.7	10444.8	13.2	133.3	-34.1	1.04	-33.3																												
Lowe's Cos	N	23.83	-1.25	-5.0	24.88	23.38	31.13	19.25	5,404	1.50	.95	57.9	14.1	.36	1.5	—	3 mos.	04-85	452.3	18.9	11.9	-6.3	.33	-5.7	452.3	18.9	11.9	-6.3	.33	-5.7																												
Mich General	A	5.00	-25	-4.8	5.63	4.88	8.13	4.50	1,374	1.21	1.38	-12.3	NE	.00	.0	—	6 mos.	06-85	119.0	-2.9	(12.7)	-100.0	(1.13)	-100.0	287.1	-8.0	(15.3)	-100.0	(1.96)	-100.0																												
Mid Lumber	M	7.00	.25	.37	7.00	6.75	7.50	4.50	.371	.86	.90	-26.7	33.3	.00	.0	—	3 mos.	03-85	31.4	10.2	.2	-33.3	.00	-50.0	31.4	10.2	.2	-33.3	.00	-50.0																												
Pay N Pak	N	12.75	-38	-2.9	13.13	12.50	16.25	11.50	2,679	2.68	1.05	155.2	13.0	.84	5.0	—	3 mos.	05-85	82.6	11.0	2.1	-12.5	.21	-12.5	82.6	11.0	2.1	-12.5	.21	-12.5																												
Payless Cash	N	16.80	-38	-2.3	16.50	15.25	23.38	14.00	5,140	1.48	1.47	.7	14.2	.16	1.0	—	6 mos.	05-85	375.7	20.5	13.0	6.8	.38	5.4	630.8	23.8	14.6	-1.4	.44	-4.3																												
Scott's Inc	N	13.75	.00	.0	14.00	13.38	16.38	12.50	1,898	1.28	.54	137.0	10.7	.52	3.8	NEW	fiscal	06-85	120.4	5.6	5.5	-6.8	.38	-9.3	453.4	6.8	17.5	-3.3	1.29	-7.2																												
Sears, Roebuck	N	34.88	-38	-1.1	35.00	34.00	39.13	29.75	38,237	1.06	.83	68.3	9.3	1.76	5.0	—	6 mos.	06-85	9887.1	1.3	285.5	-25.4	.72	-27.3	10000.0	3.2	488.8	-14.2	1.32	-17.0																												
Std Ind Pnt	N	20.88	-1.75	-7.7	22.75	19.75	23.88	17.75	2,005	1.80	1.28	40.6	11.1	.56	2.7	—	3 mos.	04-85	80.9	4.0	4.8	4.3	.43	2.4	80.9	4.0	4.8	4.3	.43	2.4																												
Supernode Gen	N	44.25	.75	1.7	45.25	43.13	48.38	26.50	2,539	1.42	.93	52.7	12.6	.48	1.1	NEW	6 mos.	07-85	1287.3	32.1	6.1	-61.1	1.01	14.8	2502.7	34.5	17.9	-10.1	1.67	48.1																												
Wanamaker	M	6.63	.00	.0	6.63	6.50	7.25	4.38	.598	1.02	.53	92.5	13.0	.16	2.4	—	6 mos.	06-85	43.4	10.7	1.3	38.0	.24	41.2	65.5	8.3	1.0	42.9	.18	50.0																												
Wholesalers																																																										
Levi Palmer	M	7.13	-38	-5.0	7.50	6.88	9.75	6.88	561	1.50	.48	212.5	58.4	.28b	3.9	NEW	6 mos.	07-85	37.5	-6.9	2	-68.0	.06	-68.0	70.5	1.8	.2	-75.0	.06	-76.0																												
Manufacturers																																																										
Alphagry Int	N	20.80	.00	.0	21.38	20.38	28.75	20.25	1,140	1.08	.78	38.5	NE	1.40	6.7	—	3 mos.	03-85	507.2	1.9	5.1	-7.3	(.35)	NE	507.2	1.9	5.1	-7.3	(.35)	NE																												
Am Standard	N	28.75	-1.00	-3.4	30.25	28.25	35.38	28.75	6,189	1.58	.88	132.4	9.6	1.80	5.6	—	6 mos.	06-85	879.3	-1.6	37.3	6.3	.36	4.4	1887.3	9.4	57.6	4.7	1.47	-4.5																												
Armetek Wht	N	34.63	.83	1.8	34.63	33.50	39.75	28.88	3,893	1.83	1.30	25.4	9.0	1.30	3.8	—	6 mos.	06-85	429.9	5.3	32.3	19.2	1.34	20.7	806.5	1.9	50.2	.8	2.08	2.0																												
Black & Decker	N	18.75	.13	.7	19.63	18.50	26.88	18.00	7,821	1.51	1.43	5.8	15.8	.84	3.4	—	9 mos.	06-85	371.9	-3	(7.1)	-100.0	(.14)	-100.0	1278.0	21.7	36.7	-48.2	.72	-91.0																												
Certain-tyl	N	24.25	-1.63	-6.3	25.88	23.63	28.50	15.75	1,205	.84	.45	42.2	11.4	.70	2.9	—	6 mos.	06-85	291.0	-6.2	16.5	-2.4	.84	-1.2	543.9	-7.8	24.7	-5.0	1.25	-3.8																												
Chap Int	N	22.88	-38	-1.8	23.38	22.38	26.75	18.38	14,434	1.55	1.18	31.4	NE	.52	2.3	—	6 mos.	06-85	1988.9	38.8	43.3	8.0	.42	-38.4	3944.7	41.1	82.1	25.9	.85	-24.1																												
Clayco Corp	A	14.63	-38	-2.5	15.00	14.50	22.19	11.25	.73	.40	1.01	-32.5	13.2	.16	1.1	—	6 mos.	06-85	36.0	6.5	.0	-100.0	.04	-88.2	65.2	6.0	(.5)	-100.0	(.32)	-100.0																												
Deblo Inc	N	32.50	-1.25	-3.7	33.75	32.00	37.86	29.63	150	.32	.82	-61.0	9.9	1.40	4.3	—	6 mos.	06-85	127.5	1.4	6.4	.0	1.34	17.5	229.3	2.8	7.2	-28.0	1.91	-15.6																												
Emhart Corp	N	28.50	-50	-1.7	28.13	27.03	33.13	26.25	2,817	1.02	.89	47.8	9.6	1.40b	4.9	—	6 mos.	06-85	448.5	-3.3	25.3	14.0	.91	3.4	888.4	-6.1	38.4	-8.2	1.42	-17.9																												
Georgia-Pacific	N	23.00	.25	1.1	23.13	22.50	27.38	20.00	8,588	.84	.93	-9.7	22.1	.80	3.5	—	6 mos.	06-85	1794.0	7.4	67.0	-20.2	.81	1.7	3374.0	6.8	116.0	-14.1	1.04	7.2																												
Inlcor Corp	N	17.83	-1.25	-6.6	18.88	17.83	20.72	15.34	4,823	2.38	.77	208.1	9.7	1.00b	5.7	—	6 mos.	06-85	230.7	9.4	18.6	6.0	.57	3.8	438.0	7.3	16.8	.0	.90	-1.1																												
La Pacific	N	19.25	.00	.0	19.50	19.13	24.75	17.84	3,784	1.08	.88	55.9	18.7	.80b	4.2	—	6 mos.	06-85	345.0	6.3	5.0	-33.3	.14	-38.4	816.0	-2.8	7.4	-48.3	.21	-48.8																												
Machinix Mktl	N	14.50	-50	-3.3	15.25	14.50	21.81	14.50	103	.03	.15	-80.0	28.9	.00a	.0	—	6 mos.	06-85	586.0	11.9	7.8	47.2	.05	NE	1136.8	20.1	10.4	NE	(.08)	NE																												
Minimile Co	N	5.88	-38	-6.0	6.25	5.83	6.13	5.13	2,775	1.16	2.58	-54.7	2.9	.00	.0	—	6 mos.	06-85	508.0	9.7	20.4	12.7	.59	20.4	954.0	7.8	32.8	6.8	.84	10.5																												
Musco Corp	N	32.13	-1.38	-4.1	33.25	31.83	36.00	24.00	9,501	1.64	.87	88.5	22.9	.56	1.7	—	6 mos.	06-85	258.9	80.3	36.3	433.8	.83	-33.7	486.0	71.9	71.8	443.9	1.24	-32.6																												
Mer-Flo Inds	M	18.00	.13	.7	18.00	17.88	20.25	14.83	.65	.28	.52	-59.0	6.8	.01	.1	—	6 mos.	06-85	53.6	3.7	1.7	.0	.80	1.5	108.0	5.4	3.4	6.3	1.34	3.9																												
Mid Gypsum	N	50.00	1.25	2.6	51.88	48.38	51.88	34.00	3,982	2.58	1.50	70.7	8.8	2.28	4.6	—	6 mos.	06-85	443.8	-1.3	35.5	21.2	2.28	21.3	808.4	-3.8	81.5	15.0	3.95	15.2																												
Rezell Co	N	16.83	.83	.9	16.88	16.00	19.00	13.25	360	.41	.32	28.1	8.8	.50	3.0	—	6 mos.	06-85	81.7	9.2	4.8	28.0	.58	15.2	181.2	6.8	8.0	15.9	.23	18.0																												
Owens Corning	N	34.50	-25	-7	35.00	33.63	37.00	28.89	4,491	1.51	1.67	41.1	8.7	1.40	4.1	—	6 mos.	05-85	788.3	2.3	28.2	-18.5	.88	-20.0	1487.9	.8	48.2	5.9	1.83	5.2																												
Py-Gum	A	15.13	-75	-4.7																																																						

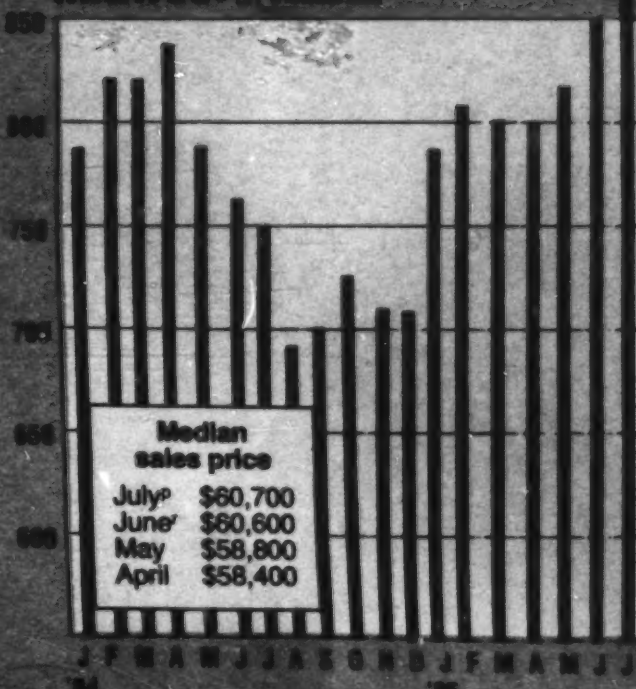
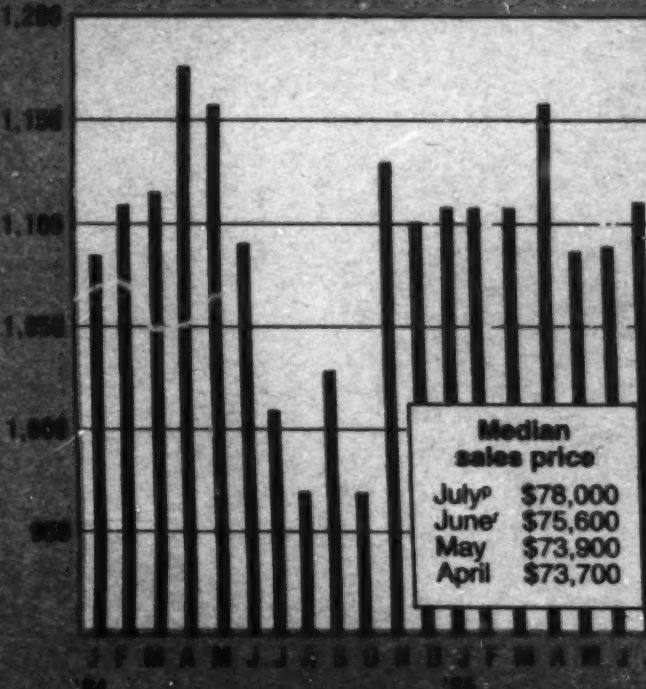
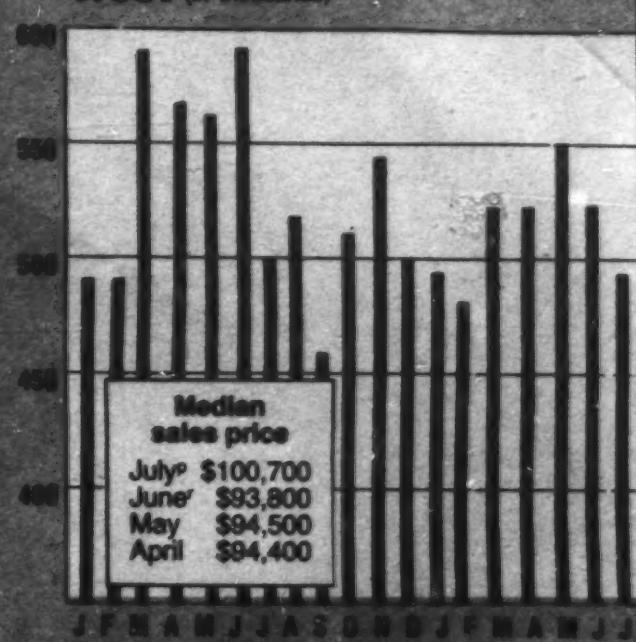
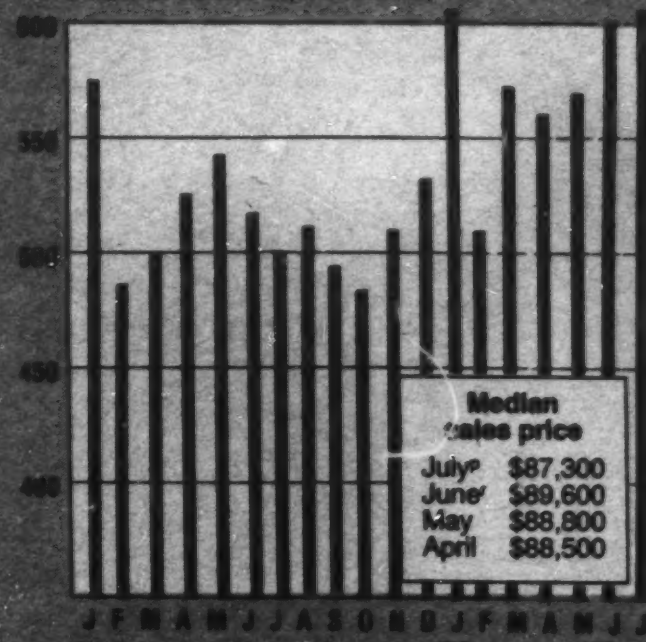
Existing single-family home sales



p = preliminary

r = revised

Source: Nat'l Assn. of Realtors



In contrast, home prices in the Northeast—the second most expensive region for housing—declined \$2,300 from June to July, to \$87,300. Carlson noted that the decline does not signal the beginning of a downward price spiral because the demand for housing in this region remains strong.

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HERE'S WHY

MERCHANDISING

Expert forecasts 27% rise in L&G spending

Lawn and Garden Products Estimated sales 1985 (in billions of dollars)

Nursery	\$ 6.9
Power Equipment	3.4
Fertilizers	3.2
Chemicals	4.2
Nonpower hand tools	1.5
Water Equipment	3.0
Accessories	1.2
Lawn Furniture	1.7
Trim-A-Tree	1.1
Snow Removal Products	0.6
Total	\$26.8

Source: Greenidge & Associates

NHCH chart

Nursery items and power equipment will produce over \$10 billion in lawn and garden department sales this year, as consumer spending is expected to rise 27% in the category.



CHICAGO — Consumer spending is expected to rise almost 27% this year in the lawn and garden category. Home centers, along with hardware retailers, should gain an additional 5% of market share by 1990, according to Dr. Charles Greenidge of Greenidge & Associates, a market research firm in Evergreen, Colo.

Greenidge shared his research findings during a seminar entitled "Major Shifts are Impacting the Lawn and Garden Market" at the National Hardware Show here last month. Greenidge said that demographic factors, plus an increasing interest in patios, landscaping and both flower and vegetable gardening, point to a strong market in the late 1980's.

Greenidge referred to research done by a former associate, Dr. Bert McCammon Jr., which showed that people between the ages of 35 and 44 spend 38% more than the average on DIY projects, and people in the 44-to-54 year range spend 21% more than average. Greenidge suggests that as the baby boomers mature, they will continue to spend money on lawn and garden products.

"We are looking at an affluent, maturing mobile market that is in the prime of their DIY and gardening years," said Greenidge after noting that a 15% increase in the number of families in the \$30,000 to \$40,000 range is expected over the next five years, and an increase of 32% is expected in the more than \$40,000 range.

Along with an increase in L&G sales in home centers and hardware stores, Greenidge foresees an increase of 5% or more of market share for the mass merchandisers, indicating a loss of up to 10% or more for the lawn and garden centers. "Many mass merchants who previously operated peak-season-only departments are expanding their selling period through the summer into the early fall, and others are establishing year-round departments," said Greenidge.

To illustrate the growing importance of the mass merchandisers in the lawn and garden segment, Greenidge pointed out that K mart's private label chemicals, K-Gro, is the nation's second largest brand following Ortho.

Shifting emphasis

Besides a shift in market share between retail outlets, Greenidge has also noted a shift in the buying patterns of the lawn and garden customer. In the past, customers would buy heavily at the beginning of the season when many retailers would offer preseason sales. Now, says Greenidge, consumers are buying closer to need and are buying in smaller quantities. He also said that consumers are showing a preference for specific use products in ready-to-use form with application packaging.

Greenidge anticipated that the desire for convenience, i.e., premixed, products will accelerate as dual income households find their leisure time pinched, and have less time to spend on gardening and plant care products.

Greenidge also noted the increasing consolidation on the manufacturing side of L&G products that he says will eventually result in three or four major companies competing in the same way that Stanley and Cooper do in hand lines.

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Experts prescribe legal checkup once a year

CHICAGO — Just as it's a good idea to visit a physician periodically for a checkup, retailers and suppliers should visit a business lawyer once a year to head off legal problems before they arise. That was the prescription offered to a group of businessmen at a seminar conducted at last month's National Hardware Show by Charles M. Tatelbaum, a bankruptcy expert for a Baltimore law firm.



Speaking at the seminar entitled, "Preventive Law for the Layman," Tatelbaum said there are several ways a businessman can avoid litigation or bolster his case in the event a dispute does wind up in court.

Short-term thinking clouds lumbermen's long-term outlook

(Continued from page 16) mills found themselves in the worst of all worlds with timber costs on the West Coast falling to less than \$150 per thousand board feet, demand for wood slackening and total manufacturing capacity in North America rising, which led to lower prices and lots of red ink.

Wood demand in single-family units down

In 1983 and 1984 the United States housing market averaged 1.1 million single-family unit starts. A single-family start uses three times as much lumber as a multifamily start. This represents 720,000 fewer single family unit starts in 1983 and 1984 than in the 1977 to 1978 period. During the late 1970's lumber production reached a level of 49 billion board feet. In 1984 production exceeded 52 billion board feet. It doesn't take a genius to see that even with some increased demand there was still too much production. Couple this with a declining export market and it is quite obvious why we are experiencing depressed prices in wood commodities.

Exports

Exports remain depressed as the U.S. dollar remains strong. There is no foreign escape for North American lumber and it must basically find a home in North America. The winner in all this is the North American consumer. Exports to Japan and Germany may never be as strong as in the 1970's even with a weak dollar. Both countries are now harvesting more of their own timber as their reforestation efforts are starting to bear fruit.

Legislation

As legislation is being bandied about, several mills have announced closures. Potlatch's announcement of a permanent closing of its largest sawmill in Lewiston, Idaho, may signal the start of more mill closures in North America.

Nothing is forever and you can bet that lumber prices will not remain this depressed for another year. Increased mill closures, legislation or a combination of the two is likely to turn the sorry plight of the sawmill industry into a more viable situation. In the meantime be nice to your lumber suppliers, because some day they might be in the driver's seat again with a seller's market.

Hawk Furman is president of Furman Lumber, Boston.

He gave some examples of how a knowledge of preventive law can save time and money.

• **Dishonored check as a collection tool.** "A check is nothing more than a contract," said Tatelbaum. As with any contract, when a check is made by a corporation, it must be signed by an officer or an authorized employee. When the person signing the check neglects to write his or her corporate capacity along with the signature, it may subject the signer to personal liability if the check is dishonored, noted Tatelbaum. In such a case, an action could be brought against the individual to collect the balance on the check.

The threat of such a suit against an employee is likely to bring about a quick settlement by the employee's company, said Tatelbaum. Likewise, the lawyer told attendees to always write their own title when signing a check for their company so that they will not become personally liable if that check bounces.

• **The midnight deadline rule.** A bank must clear a check by

midnight of the following business day. "If between the time you deposit a check and the time collection from the payer's bank is attempted, something happens, such as a bankruptcy, the bank is responsible for paying the check if the bank violated the midnight deadline rule," said Tatelbaum.

Since the midnight deadline is widely violated by banks, knowledge of the rule would enable a company to collect from the bank on the unpaid check, he noted.

• **Notice in the event of insolvency.** If, within 10 days after the receipt of goods by a customer, the customer becomes insolvent, the creditor can send a notice to the customer to reclaim the goods or secure a lien or priority claim on the proceeds. Tatelbaum said he used just such a tactic while representing several creditors with about \$75 million worth of claims against Wickes Cos., which filed for Chapter 11 in 1982 (and has since emerged).

• **Defending against discrimination.** According to law, a company cannot discriminate in

'If you have an ironclad case, they'll drop the suit, but if you leave them an opening, they'll sue.'

—Charles M. Tatelbaum, bankruptcy lawyer

the granting of credit based on race, creed or sex. However, when a customer applies for credit, he or she often must include assets jointly owned by a spouse. If the application for credit is worded improperly, it may subject the company to a lawsuit. This aspect of preventive law is critical, noted Tatelbaum, as he gave the example of one small company that defended a sex discrimination suit and won, but spent \$82,000 in legal fees.

• **Battle of the forms.** Such a battle occurs when there is language on a purchase order or similar document that is not acceptable to both parties. Tatelbaum suggested that a creditor

include a blanket statement on his invoice stating that any statement on a purchase order which is not specifically approved in writing by the creditor will not be considered a part of the agreement between the parties.

• **How to hire and fire without getting into trouble.** Develop an employee handbook, suggested Tatelbaum. "Put all company policies in the handbook and list hiring and firing procedures," he said.

The objective of preventive law is to stay out of court. "If you have an ironclad case, they'll drop the suit," said Tatelbaum. "But if you leave them an opening, they'll sue."

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Consumer habits make Columbus a 'tough nut to crack' for chains

(Continued from page 3)

consumers in Virginia Beach, Va., seemed to have more loyalty to hardware stores for such merchandise.

On the other hand, some 81% of consumers surveyed in Columbus said they had noticed new home centers moving into their market over the past year. This high rate of response compared to only 54% of consumers with the same reaction in Chicago, and only 71% of consumers when responses from all seven markets were pooled.

Furthermore, some aspects of home center retailing seem to appeal to Columbus shoppers. The variety of products carried was cited as one reason why shoppers went to the new Mr. HOW in the Columbus market, and the longer advertising tabs that are characteristic of home center retailing also appealed to them. Over 14% of Columbus consumers said that tabs from 10 to 49 pages were most helpful to them. This compares to less than 5% of consumers saying the same thing in Chicago.

The findings from the Leo J. Shapiro study, published in a report called "Attracting the DIY Consumer: 1985," come at

'It's a market that is growing fast, with a stable economy, with a fair income level and sites are easy to obtain. All of which tells a retailer that, on paper at least, he should move in.'

—Tom Herward,
 merchandising vp,
 Busy Beaver

a time when this city, located in the center of Ohio and surrounded by farmlands, is the target of a new round of home center activity. Mr. HOW, the warehouse home center chain based in Margate, Fla., opened two units in Columbus late in 1984. Hechinger, the home center chain based in Landover, Md., opened one store in the market in the spring of this year, and has bought a building for its second unit there, expected to open next spring.

Central Hardware, which has operated four units in the city for many years, recently completed the remodeling of two of its four stores in the city by increasing the use of the cube with pallet racking.

Other stores long active in the city include three Furrow's, three Sutherland Lumber's, three 84 Lumber's and five Celar Lumber's. Carter Lumber operates six stores in the general market area, although most are located some distance from the city.

Independent operators such as Dealers Lumber, Jones Lumber and Strait & Lamp also operate stores in or near the city.

When asked why warehouse chains are targeting Columbus for the first time, market observers pointed not only to the need for such chains to secure their sites in the nation's top 50 markets now, but also to the fact that the city seems to provide an economic foundation that attracts retailers.

With its population of 1.2 million, for example, Columbus is the 33rd largest metropolitan area in the country, according to Sales and Marketing Man-

Customers are more likely to shop at discount stores in Columbus, Ohio, than are customers in other major markets . . .

Percentage preferring to shop at discount stores

Item	Columbus, Ohio	Nationwide average of seven major markets
Portable power tool	11%	8%
Wall or house paint	12	5
Hand tools	17	7
Wallpaper	7	3
Garden tools	22	12
Lock sets	10	7
Electrical wiring	6	3
Plumbing, pipe or faucets	5	2
Indoor, outdoor lighting	9	4

Source: Attracting the DIY Customer: 1985; NHCN chart

. . . They also indicated a strong inclination for shopping at Columbus' new home center operations . . .

Percentage preferring to shop at home centers

Item	Columbus, Ohio	Nationwide average of seven major markets
Portable power tool	28%	28%
Wall or house paint	17	24
Hand tools	25	29
Wallpaper	6	18
Garden tools	31	36
Lock sets	48	41
Electrical wiring	56	48
Plumbing, pipe or faucets	61	51
Indoor, outdoor lighting	42	44

Source: Attracting the DIY Customer: 1985; NHCN chart

. . . Indeed, Columbus consumers seem to favor the educational nature of longer advertising tabloids such home centers provide.

Percentage preferring tabs of 10 to 49 pages

Columbus	Chicago	Long Island
14%	5%	5%

Source: Attracting the DIY Customer: 1985; NHCN chart

agement's 1985 Survey of Buying Power. And, according to the same source, the city ranks 43rd in total building materials and hardware store sales. Too, the Columbus Chamber of Commerce reported the unemployment level for June of this year was 6.1%, below the national average of 7%.

On the other hand, the market is seen as one that is difficult to crack, partly because of consumer habits.

"Not too many years ago, there was little home center activity and shoppers became used to patronizing the hardware stores that were scattered around the suburbs," said Royal Morse III, vp at Dealers Lumber, a longtime Columbus independent. "People are used to that pattern."

Tom Herward, vp of merchandising at Busy Beaver, the Pittsburgh-based home center chain that opened three home centers in Columbus in 1979, only to pull out of the market five years later, noted that, while the city's economics seem attractive, consumer habits were hard to break.

"It's a market that is growing fast, with a stable economy, with a fair income level and sites are easy to obtain," said Herward. "All of which tells a retailer that, on paper at least, he should move in."

But the fact that Columbus is the fastest growing market for its region, and that its govern-

mental activity and educational industry props up its economy, doesn't cancel out the drawbacks, according to Herward. "It's the discount capital of the world," he said, pointing to the strong performance by Gold Circle, K mart and others. "We had more success with our low end price points. And the specialty outlets are also very strong."

The presence of an excessive amount of competition, noted Herward, is only the first of a two-part problem for home centers tackling Columbus. The other is the fact that the spending per household is not high. According to Sales and Marketing Management, the median household effective buying income is \$25,405, ranking Columbus 159th of all metropolitan areas.

Herward added that the do-it-yourself expertise in the Columbus market did not seem very high, although shoppers seemed anxious to learn. "Our consumer clinics were highly attended," he said.

The survey seemed to support this observation. "To be really complete, and cover everything," was cited by close to 20% of Columbus consumers as the reason why they liked advertising tabs of a longer length. Nationwide, in six other surveyed markets, only 12% of participating consumers cited that reason for their favorite lengths of advertising tabs.